LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6655 NOTE PREPARED: Dec 21, 2006

BILL NUMBER: HB 1148 BILL AMENDED:

SUBJECT: Resettlement Bonus for Active Duty Veterans.

FIRST AUTHOR: Rep. Murphy BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill allows the Governor's Civil and Military Contingency Fund to be used for any payment or purpose specified by the General Assembly. The bill provides for a resettlement bonus of \$500 for certain returning veterans. It appropriates money from the state General Fund to the contingency fund to pay for the bonuses.

Effective Date: July 1, 2007.

Explanation of State Expenditures: Summary: The bill makes an appropriation from the state General Fund equal to \$500 multiplied by the number of Indiana National Guard (ING) personnel that return from active duty between January 1, 2003, and June 30, 2010. During CY 2006, approximately 3,300 ING personnel were on active duty. If all 3,300 ING personnel return to reserve status prior to June 30, 2010, the estimated impact to state expenditures would be \$1.7 M (3,300 X \$500). The total number of ING that will have been called to active duty between January 1, 2003, and June 30, 2010, and returned to reserve status is not known.

Actual overall impact to state expenditures will depend on the total number of ING personnel returning from active duty between January 1, 2003, and June 30, 2010. As of December 21, 2006, the strength of the ING was 13,745.

Background Information on Civil and Military Contingency Fund - The Governor's Civil and Military Contingency Fund had \$254,623 in cash assets at the end of FY 2006. As of December 15, 2006, the cash assets in the Fund were \$575,976. For the FY 2004 - FY 2005 biennium, the Indiana General Assembly appropriated \$720,000 to the Fund.

HB 1148+ 1

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Office of the Governor.

Local Agencies Affected:

<u>Information Sources:</u> LTC Hadley, Indiana National Guard; *List of Appropriations July 1, 2003-June 30, 2005;* Auditor of State; Defense Manpower Data Center.

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HB 1148+ 2